

Working Capital Fund

Program Mission

This budget submission covers the activities of the Department that are included in the Working Capital Fund (Fund). The Fund is a financial management tool for improving the financing and delivery of a range of common administrative services. Pricing policy and oversight are vested in a Board appointed by the Deputy Secretary. Service delivery is assigned to Business Line Service managers; financial responsibility resides in a Fund Manager and individual Business Line Fund Managers who are responsible for billing and funds control. The Fund creates a framework for business-like organization of support functions.

Program Goal

The Fund supports the Department's Corporate Management Goal to successfully implement each of the DOE's requirements in the President's Management Plan.

Program Objectives

The objectives of the Fund include:

- Improve the efficiency of administrative services by providing managers with the opportunity and responsibility to make choices on the amount, priority, and, where possible, the sources of administrative services used by their programs;
- Ensure that program mission budgets include a fair allocation of the costs of common administrative services; and
- Expand the flexibility of the Department's budget structure to permit service providers to respond to customer needs.

Program Performance Summary

FY 2002 was the sixth year of Fund operations. Fund operations are valued by customers, serve the Department, and remain within the fiscal and policy guidelines established by the Board and by congressional committees. The Fund's overall financial position as of the end of FY 2002 is sound: over the six years of Fund operation, earnings have exceeded expenses by \$2 million, or approximately 0.4% of earnings. The Fund earned \$5.5 million less than expenses during FY 2002, due to a \$9 million write-down of Telephone assets that created an apparent net loss for the year but had no effect on the liquidity of the business. Results varied substantially among businesses, but the overall result for the first six years has been substantially a breakeven situation, in line with congressional and departmental policies. The exception is payroll, which is currently holding excess earnings to finance payroll outsourcing initiatives.

The Fund has reported performance metrics since its inception. These efficiency and effectiveness metrics document its continuous efforts to provide program customers with the best goods and services possible. Fund businesses began using a balanced scorecard approach to performance management in FY 2001, and continue using this framework. We believe good businesses should pay attention to the four corners of their business structure: customers, financial performance, internal processes, and knowledge management including human capital and information systems.

Significant Accomplishments/Program Shifts

During FY 2002, business line officials made major security improvements in response to terrorist threats recognized after “9/11”, including mail screening for anthrax contamination, public announcement system installation, enhanced computer virus protection services, and the like. The Contract Closeout business exceeded its goals; the new Online Learning Center broke even in its first self-financed year while expanding its offerings; the Building Occupancy improvement program has made progress, including the start on renovations of Forrestal restrooms; the Copying business has modernized toward digital technology; the Payroll business readied itself for cost savings from outsourcing; DOENet costs are being substantially reduced; and, Network availability rates have remained high.

The Department continues to examine ways of using the Working Capital Fund to gain greater management efficiencies. The Online Learning Center provided DOE mission related program training at the desktop for real-time skills enhancement and formal training at low cost and with little disruption to the employee’s workplace. The new Digitization segment of the Copy Business will serve significant evolving needs of mission programs for digital media and document management while using resources freed up due to reduced paper copying. Fund businesses are constantly looking for ways to enhance customer satisfaction and reduce costs.

For more information on program performance, visit our website at www.ma.mbe.doe.gov/wcf and view links to Five-year plans and the FY 2002 Annual Report.

The major budget change anticipated for FY 2004 is an increase in the building rental rates charged by the General Services Administration.

Working Capital Fund: Business Line Budgets

Table 1 summarizes projected billings by business line. These billings result from business line expenses, which are processed in accordance with approved pricing policies as program costs. Table 2 summarizes costs by customer organization. Estimates of business expenses represent the best projections currently available, but are subject to change based on customer decision regarding the mix, level, and source of services employed to support mission programs. In some cases, customers may choose to acquire services outside the Fund, and in other cases, customers may make tradeoffs to expand their use of Fund services in order to reduce other costs, including travel or contractual services. Furthermore, customers already appear to have made tradeoffs within the services provided through the Fund, including reduced use of paper and photocopying through increased reliance on electronic communication.

This section includes a description of each business line with their respective pricing policy approved by the Fund Board. Tables 3 through 13 display actual FY 2002 costs and revised FY 2003 and FY 2004 cost estimates for each business line.

Table 1: Working Capital Fund Budget by Function

(dollars in thousands)

FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
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Table 1: Business Line

Supplies	3,298	3,298	3,298
Mail Services	2,034	2,601	2,732
Photocopying	2,026	2,026	2,026
Printing and Graphics	3,186	3,186	3,186
Building Occupancy	56,654	57,975	62,340
Telephones	6,776	6,766	6,926
Desktop	1,167	1,167	1,167
Networking	6,204	6,204	6,308
Contract Closeout	761	754	754
Payroll and Personnel	5,270	5,270	5,270
Online Learning Center	318	318	318
Total, Working Capital Fund	87,696	89,565	94,326

¹ Numbers may not add due to rounding.

² See footnote 1.

³ See footnote 1.

Table 2: Working Capital Fund Budget by Organization

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 2: Program Organization			
Board of Contract Appeals	230	238	244
Bonneville Power Administration	147	146	150
Congressional & Intergovernmental Affairs	706	695	733
Counterintelligence	953	867	882
Energy Assurance	37	171	175
Economic Impact and Diversity	730	641	661
Energy Efficiency	6,409	6,583	6,747
Environment, Safety, and Health	4,579	4,700	4,786
Energy Information Administration	7,147	7,181	7,373
Environmental Management	7,264	7,031	7,045
Fossil Energy	3,483	3,370	3,524
General Counsel	2,642	2,632	2,716
Hearings and Appeals	976	976	997
Chief Information Officer	4,533	3,845	4,430
Inspector General	1,710	1,739	1,784
Intelligence	1,548	1,793	1,883
Management Budget and Evaluation	14,562	14,489	15,342
Nuclear Energy	1,487	1,533	1,800
National Nuclear Security Administration:	11,290	14,788	15,561
Naval Reactors	291	131	131
Oversight & Performance Assurance	473	481	567
Public Affairs	832	823	841
Policy and International Affairs	1,668	1,656	1,707
Civilian Radioactive Waste Management	1,284	1,278	1,314
Office of the Secretary	804	815	847
Secretary of Energy Advisory Board	217	207	212
Science	4,121	4,100	4,620
Security	6,039	5,108	5,691
WAPA/SWPA/SEPA	1,163	1,175	1,180
Worker Transition	340	345	356
Field Offices	27	27	27
Total, Working Capital Fund	87,696	89,565	94,326

¹ Numbers may not add due to rounding.

² See footnote 1.

³ See footnote 1.

Supplies

Description

This business operates two main and two satellite self-service stores, which carry a wide variety of consumable office products. At customers' request, we also acquire specialty items that are not stocked in the stores. Products carried are based on review of equipment in the agency inventory and customer input and suggestions.

FY 2001 was a year of transition between two supply businesses in the Working Capital Fund. Operationally this transition was virtually transparent to our customers. The "in house" supply business was replaced in April 2001 by Paper Clips, the office supply store name assigned by Winston-Salem Industries for the Blind, an affiliate of the National Industries for the Blind (NIB). Paper Clips operates the DOE supply stores as a commercial operation. Paper Clips is paid only for the supplies purchased by DOE employees.

Board Pricing Policy

Each organization pays for supplies purchased by its employees.

Table 3 provides the estimated supplies charges for each organization in Headquarters. It is assumed that consumption levels in FY 2003 and FY 2004 will remain relatively constant at FY 2002 levels. However, the new product offerings of Paper Clips may change consumption patterns or may change customer decisions on how to acquire supplies.

Table 3: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 3: Supplies			
Board of Contract Appeals	1	1	1
Bonneville Power Administration	4	4	4
Congressional & Intergovernmental Affairs	20	20	20
Counterintelligence	37	37	37
Economic Impact and Diversity	20	20	20
Energy Efficiency	338	338	338
Environment, Safety, and Health	207	207	207
Energy Information Administration	232	232	232
Environmental Management	238	238	238
Fossil Energy	138	138	138
General Counsel	70	70	70
Hearings and Appeals	12	12	12
Chief Information Officer	112	112	112
Inspector General	40	40	40
Intelligence	27	27	27
Management Budget and Evaluation	519	519	519
Nuclear Energy	50	50	50
National Nuclear Security Administration:	459	459	459
Oversight & Performance Assurance	39	39	39
Public Affairs	24	24	24
Policy and International Affairs	71	71	71
Civilian Radioactive Waste Management	30	30	30
Office of the Secretary	25	25	25
Secretary of Energy Advisory Board	3	3	3
Science	231	231	231
Security	343	343	343
WAPA/SWPA/SEPA	1	1	1
Worker Transition	6	6	6
Total, Working Capital Fund	3,298	3,298	3,298

¹ Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

Mail Services

Description

The DOE Mail Center provides a variety of mail services for all official and other authorized mail for the Department of Energy and its employees. The services provided include the processing of all incoming postal mail, outgoing official mail, internal mail processing, accountable mail processing, pouch mail, a variety of overnight express mail services, directory services, and pick-up and delivery services. In response to the risk of terrorism, the business line implemented various processes for sanitizing and testing mail against bio-terrorist attacks.

Board Pricing Policy

The Working Capital Fund Board adopted a new Mail pricing policy at its December 11, 2002 meeting. Based on this new policy, Mail service pricing has seven components:

- Offices pay the actual dollar meter value for outgoing United States Postal Service mail; Offices pay actual cost for Federal Express or other special mail; Offices pay for internal mail distribution based on the number of mail stops based on a Board approved funding levels of \$1,313,000 (FY 2003) and \$1,418,000 (FY 2004);
- Offices pay for Mail Security (\$149,000/year) based on their percentages of incoming USPS mail over the previous six-month period;
- Offices pay for Express Mail Labor (annualized levels of \$140,000 in FY 2003 and \$151,000 in FY 2004) based on their percentage of the total volume of incoming and outgoing special mail during the preceding six- month period;
- Offices pay for USPS Outgoing labor (annualized levels of \$184,000 in FY 2003 and \$199,000 in FY 2004) based on their percentage of actual outgoing mail for the prior six months; and
- Offices pay for specified special services on a negotiated basis with the Mail business.

Estimates increase in FY 2003 and FY 2004 due to the implementation of this newly adopted pricing policy.

Table 4 provides the estimated mail services charges for each organization in Headquarters.

Table 4: Working Capital Fund Budget by Function

(dollars in thousands)

FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
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Table 4: Mail Services

Bonneville Power Administration	14	13	14
Congressional & Intergovernmental Affairs	38	42	44
Counterintelligence	31	38	40
Energy Assurance	0	13	14
Economic Impact and Diversity	58	50	54
Energy Efficiency	151	322	331
Environment, Safety, and Health	54	46	49
Energy Information Administration	221	310	323
Environmental Management	52	60	63
Fossil Energy	46	46	48
General Counsel	40	42	45
Hearings and Appeals	18	17	18
Chief Information Officer	54	46	59
Inspector General	47	82	48
Intelligence	73	55	83
Management and Budget Evaluation	483	647	685
Nuclear Energy	42	42	45
National Nuclear Security Administration:	177	226	232
Naval Reactors	5	0	0
Oversight & Performance Assurance	22	20	21
Public Affairs	47	53	56
Policy and International Affairs	57	59	63
Civilian Radioactive Waste Management	20	20	21
Office of the Secretary	18	28	30
Secretary of Energy Advisory Board	18	17	18
Science	81	81	84
Security	132	195	208
WAPA/SWPA/SEPA	14	13	14
Worker Transition	19	19	21
Total, Working Capital Fund	2,034	2,601	2,732

¹ Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

Photocopying

Description

This business provides the following services:

- Staffed photocopy centers at Forrestal, Germantown and L'Enfant Plaza capable of reproducing 25,000 impressions per document.
- Centralized (Walk-up) Photocopy Rooms.
- Dedicated (Customer-Assigned) Photocopiers including needs assessment analysis to determine workload and most appropriate equipment.
- Digital document management including optical scanning of paper copy documents and storage on disk.

In FY 1996, before creation of the Fund, DOE headquarters made over 100 million copies. The number of copies declined rapidly after creation of the Fund but has stabilized in recent years at an annualized rate of 60 million.

Board Pricing Policy

Each office pays the full cost to maintain and supply its assigned dedicated photocopiers. For walk-up and staffed photocopiers, a cost per photocopy is calculated and programs are charged based on the number of photocopies made by program staff. For digitization, the initial plan is to use negotiated agreements on a per-page basis to cover the costs of this business segment.

Table 5 provides the estimated photocopy charges for each organization in Headquarters.

Table 5: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 5: Photocopy			
Congressional & Intergovernmental Affairs	18	18	18
Counterintelligence	33	33	33
Economic Impact and Diversity	23	23	23
Energy Efficiency	170	170	170
Environment, Safety, and Health	92	92	92
Energy Information Administration	118	118	118
Environmental Management	205	205	205
Fossil Energy	56	56	56
General Counsel	35	35	35
Hearings and Appeals	6	6	6
Chief Information Officer	51	51	51
Inspector General	23	23	23
Intelligence	18	18	18
Management and Budget Evaluation	437	437	437
Nuclear Energy	26	26	26
National Nuclear Security Administration:	285	285	285
Oversight & Performance Assurance	9	9	9
Public Affairs	142	142	142
Policy and International Affairs	36	36	36
Civilian Radioactive Waste Management	16	16	16
Office of the Secretary	13	13	13
Secretary of Energy Advisory Board	7	7	7
Science	86	86	86
Security	115	115	115
Worker Transition	7	7	7
Total, Working Capital Fund	2,026	2,026	2,026

¹Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

Printing and Graphics

Description

The printing and graphics business line provides procurement and liaison with commercial printers through the Government Printing Office. It also provides design and development of pre-press graphics, electronic forms and exhibits, and court reporting services. Contractor staff distribute in-house-produced materials as well as materials produced by other government agencies. Beginning in FY 2001, the business transferred printed products, for example, stationary that they preprinted, from the supply business. By selling the printed products directly to customer programs they streamlined the process and created cost savings for their customers. This business line also provides professional photography, lab technicians, portrait studio operations, and graphics visual aids and presentation materials. Centralized visual archives are provided through a staffed repository of general interest photos.

Board Pricing Policy

Organizations pay for direct printing costs, costs for printed products, and Federal Register costs. Additionally for graphics services, programs pay maintenance and depreciation costs on graphics equipment as a percentage allocation of costs incurred in the previous fiscal year.

Printed products are inexpensive and cause little change in customer charges. It is assumed that consumption levels in FY 2003 and FY 2004 will remain relatively constant at FY 2002 levels.

Table 6 provides the estimated printing and graphics charges for each organization in Headquarters.

Table 6: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Board of Contract Appeals	3	3	3
Bonneville Power Administration	12	12	12
Congressional & Intergovernmental Affairs	11	11	11
Counterintelligence	27	27	27
Economic Impact and Diversity	53	53	53
Energy Efficiency	348	348	348
Environment, Safety, and Health	52	52	52
Energy Information Administration	604	604	604
Environmental Management	181	181	181
Fossil Energy	156	156	156
General Counsel	103	103	103
Hearings and Appeals	91	91	91
Chief Information Officer	49	49	49
Inspector General	64	64	64
Intelligence	5	5	5
Management and Budget Evaluation	579	579	579
Nuclear Energy	24	24	24
National Nuclear Security Administration:	173	173	173
Naval Reactors	4	4	4
Oversight & Performance Assurance	3	3	3
Public Affairs	150	150	150
Policy and International Affairs	29	29	29
Civilian Radioactive Waste Management	49	49	49
Office of the Secretary	57	57	57
Secretary of Energy Advisory Board	37	37	37
Science	199	199	199
Security	80	80	80
WAPA/SWPA/SEPA	37	37	37
Worker Transition	6	6	6
Total, Working Capital Fund	3,186	3,186	3,186

¹ Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

Building Occupancy

Description

The core services in the Building Occupancy Business Line include space assignment and utilization, utilities (such as heat and electricity), cleaning services, snow removal, maintenance, pest control, trash removal, and waste recycling. Engineering and facilities services provided are drafting, construction management and inspection, engineering, lock repair and key management, safety and occupational health, moving services, and conference support. This business also provides electronic services, which involves audio/visual meeting and conferencing support as well as repair and maintenance of Headquarters radio communications and electronic equipment. Board-approved improvements to the Headquarters complex are also included.

Board Pricing Policy

Board policy is based on direct costs and allocations in the following manner:

- On a building-by-building basis, direct rental value of the space assigned to each organization is calculated, based on the actual rent charged to the Department by the General Services Administration. Customer rent costs are based on areas expected to be assigned to each organization on October 1 of the Fiscal Year.
- Then the common use space costs in each building are divided among the tenants of that building based on their proportional shares of direct rent costs.
- Certain additional costs, such as common area improvements and health and life safety programs, are allocated as a pro rata addition to the building-by-building charges described above.
- Electronic Services are allocated according to direct Building Occupancy costs.
- In addition, tenants may arrange, at their own cost, alterations of office space.

Table 7 provides the estimated building occupancy charges for each organization in Headquarters.

Table 7: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 7: Building Occupancy			
Board of Contract Appeals	217	226	231
Bonneville Power Administration	95	95	98
Congressional & Intergovernmental Affairs	508	493	526
Counterintelligence	707	612	623
Energy Assurance	37	152	155
Economic Impact and Diversity	453	373	387
Energy Efficiency	3,665	3,643	3,778
Environment, Safety, and Health	3,383	3,506	3,574
Energy Information Administration	5,074	5,126	5,294
Environmental Management	4,178	4,049	4,036
Fossil Energy	1,738	1,691	1,832
General Counsel	2,030	2,022	2,096
Hearings and Appeals	788	790	808
Chief Information Officer	3,545	2,878	3,436
Inspector General	1,182	1,168	1,242
Intelligence	1,317	1,551	1,611
Management and Budget Evaluation	9,878	9,591	10,361
Nuclear Energy	1,020	1,039	1,296
National Nuclear Security Administration:	6,778	10,152	10,878
Naval Reactors	149	0	0
Oversight & Performance Assurance	269	268	351
Public Affairs	376	362	375
Policy and International Affairs	1,135	1,103	1,144
Civilian Radioactive Waste Management	863	858	889
Office of the Secretary	542	544	572
Secretary of Energy Advisory Board	130	120	124
Science	1,958	1,930	2,428
Security	4,285	3,277	3,826
WAPA/SWPA/SEPA	101	101	105
Worker Transition	255	255	264
Total, Working Capital Fund	56,654	57,975	62,340

¹ Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

Telephones

Description

The telephone business line is the telephone company for DOE Headquarters. It comprises an infrastructure connecting two main headquarters buildings and satellite buildings for internal dialing and commercial basic line service. The infrastructure includes communication networks, installed telephone processing switching equipment, and trained technical personnel. Telephone service includes local, long distance, and international dialing provided through the Headquarters Information Exchange (IX) System; specialized services such as operator-assisted calls (including large audio conference calls), voice mail, three-way calling, call forwarding, automatic ring-back, and custom calling cards; and trained technical personnel to install, repair and operate the system. The cost of telephone instruments, cellular phones, pagers, and other like equipment are not included in this business line.

There are approximately 13,000 telephone connections in DOE Headquarters. This reflects a reduction of 19% from the nearly 16,000 connections that were in place in FY 1996, before the Fund was implemented. Telephone usage, as measured by the average number of calls per month, declined approximately 33% from FY 1996 to FY 2002.

Board Pricing Policy

Telephone system costs are allocated to Headquarters offices based upon three categories:

- Headquarters telephone system infrastructure costs, which are composed of: (a) the cost of the leased telecommunications circuits connecting the Headquarters buildings to the internal telephone system, including the CENTREX telephone line charges for staff located in leased facilities; (b) the cost of leased telecommunications circuits that support local, long distance and international calling; and (c) the cost of the technical staff who operate the Headquarters telephone switches, and install and repair the telephone wiring plant, are allocated among program organizations based on the number of active telephone lines as a per line monthly charge. Since the Fund's inception, program customers have been validating, and reducing, the number of active phone lines.
- The costs of dedicated communication circuits are allocated to those organizations requesting installation of such lines.
- All long distance, local, and international calls are allocated to the originating telephones and thus to programs based on the actual billing information received by the Department.

Table 8 provides the estimated telephone charges for each organization in Headquarters.

Table 8: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 8: Telephones			
Board of Contract Appeals	4	4	4
Bonneville Power Administration	13	13	13
Congressional & Intergovernmental Affairs	45	45	46
Counterintelligence	81	81	83
Economic Impact and Diversity	46	46	47
Energy Efficiency	480	480	491
Environment, Safety, and Health	305	305	313
Energy Information Administration	522	522	533
Environmental Management	579	579	593
Fossil Energy	255	255	261
General Counsel	166	166	170
Hearings and Appeals	23	23	24
Chief Information Officer	272	272	279
Inspector General	103	103	106
Intelligence	69	69	70
Management and Budget Evaluation	1,054	1,054	1,082
Nuclear Energy	157	157	161
National Nuclear Security Administration:	975	964	986
Naval Reactors	43	43	43
Oversight & Performance Assurance	61	61	63
Public Affairs	40	40	41
Policy and International Affairs	157	157	160
Civilian Radioactive Waste Management	128	128	130
Office of the Secretary	90	90	93
Secretary of Energy Advisory Board	9	9	9
Science	376	376	386
Security	690	691	707
WAPA/SWPA/SEPA	13	13	13
Worker Transition	18	18	19
Total, Working Capital Fund	6,776	6,766	6,926

¹ Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

Desktop Support

Description

Desktop Support contains two components: Help Desk Services and Maintenance of Desktop Workstations. During FY 2001 the Technology Training segment of the business was curtailed. The Online Learning Center offered technology courses in its curricula in FY 2002 and expects to continue to offer these courses in FY2003 and FY 2004.

Workstation Infrastructure

- Provides media decontamination service, live test demonstrations of emerging technology, virus investigation and control, tactical hardware and software analysis and evaluations, and disk media recovery services.
- Provides a centralized “help desk” service for ordering hardware repairs, technical support of software products used throughout Headquarters, and reporting of telephone system and Local Area Network (LAN) problems.

Maintenance of Desktop Work Stations

- Installation, repair, upgrades, disconnections and reconnections to Desktop systems.
- Loaner equipment when compatible equipment is available from the maintenance shops and customer equipment cannot be repaired within 24 hours.
- Time & Material services per fee schedule including relocations, repairs to peripherals, and repairs to facsimile equipment.
- Maintenance contracts with third party vendors to service specialized equipment per customer request.
- Warranty coordination service for repairs covered under vendor warranty. This includes returning equipment for such repair and assuring that the work has been done when the equipments returns from the vendor, and reinstallation of the product for the user after repairs have been completed.

Board Pricing Policy

Help Desk Support, including; software support, adaptive support, applix support, decontamination support, and virus support are charged to programs based on their share of the consumption of these services.

Customers have the choice of three options for maintenance of desktop workstations:

- Annual Subscription: Maintenance fee per workstation for microcomputer workstation repair or portable notebook computer, with or without docking station, to include (a) onsite repair; (b) loaner equipment, when available, for equipment that will be out of service for more than 24 hours; and (c) installation of compatible upgrade components.
- Warranty Service: Warranty maintenance administration is offered and covers performance of all vendor required diagnostics, picking up, packaging, shipping, tracking and ensuring return of hardware shipped off-site for warranty maintenance, as well as installation upon return.

- Time and Materials: Devices as well as desktop units not elected to be covered under Desktop Services subscription, may be covered under a pay as you use Time and Material contract, based on an hourly labor rate.
- Finally, the remaining half of Help Desk (Hardware HOTLINE) costs completes this second component.

Budget estimates for FY 2003 and FY 2004 assumes that consumption will remain relatively constant at FY 2002 levels. Table 9 provides the estimated desktop charges for each organization in Headquarters.

Table 9: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 9: Desktop Support			
Board of Contract Appeals	2	2	2
Congressional & Intergovernmental Affairs	17	17	17
Counterintelligence	5	5	5
Economic Impact and Diversity	8	8	8
Energy Efficiency	112	112	112
Environment, Safety, and Health	52	52	52
Energy Information Administration	1	1	1
Environmental Management	85	85	85
Fossil Energy	112	112	112
General Counsel	24	24	24
Hearings and Appeals	4	4	4
Chief Information Officer	140	140	140
Inspector General	24	24	24
Intelligence	10	10	10
Management and Budget Evaluation	215	215	215
Nuclear Energy	20	20	20
National Nuclear Security Administration:	116	116	116
Oversight & Performance Assurance	6	6	6
Public Affairs	18	18	18
Policy and International Affairs	27	27	27
Civilian Radioactive Waste Management	24	24	24
Office of the Secretary	11	11	11
Secretary of Energy Advisory Board	4	4	4
Science	60	60	60
Security	65	65	65
Worker Transition	5	5	5
Total, Working Capital Fund	1,167	1,167	1,167

¹ Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

Networking

Description

Networking provides:

- Connectivity for DOE Headquarters through Local and Wide Area Networks. This connectivity provides interoperability for 86 organizational Local Area Network (LAN) segments in two main headquarters and associated satellite buildings, and connectivity to the Headquarters mainframe systems. There are approximately 8,900 LAN connections in Headquarters.
- Access to the Internet and World Wide Web, Electronic mail, and DOECast for information sharing through the LAN backbone infrastructure.
- Interface services and communications links to field sites, other government agencies, and public/private business partners.
- Connectivity to the entire national complex through DOENET. The DOENET is a centrally managed Wide Area Network designed to support DOE corporate systems and carry business sensitive data to users throughout the DOE community. DOENET currently provides connectivity to 38 sites, each adhering to a uniform connection policy to ensure a level of security. The annualized cost is estimated to be \$2.7 million.

Board Pricing Policy

For services being provided in FY 2004, Networking charges represent infrastructure costs which are composed of: (1) the cost of the leased telecommunications circuits connecting the Headquarters metropolitan area locations (including the Germantown campus) into the network backbone system; (2) the cost of maintaining the common network infrastructure components (routers, switches, bridges, hub-mail routing servers, etc.); and (3) the cost of providing the technical staff who install and repair network connections and monitor/operate the various common network components. These charges will be allocated among program organizations based on the number of active local area network (LAN) connections as a per connection monthly charge. Since the Fund's inception, program customers have been validating the number of active LAN connections.

For the DOE Corporate Network Services provided, the Board adopted a multistage pricing policy. Initially, all DOE elements were billed for services based on Federal employee population. However, beginning April 2001, this pricing algorithm was replaced by a usage-based algorithm. Budget estimates for FY 2003 and FY 2004 used projections based on the actual usage measured during FY 2002. In FY 2004 the budget has a 3% increase for network infrastructure costs to accommodate expenses for the new contractor.

Table 10 provides the estimated networking charges for each organization in Headquarters.

Table 10: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 10: Networking			
Board of Contract Appeals	1	1	1
Bonneville Power Administration	1	1	1
Congressional & Intergovernmental Affairs	30	30	31
Counterintelligence	18	18	18
Economic Impact and Diversity	33	33	34
Energy Efficiency	814	814	821
Environment, Safety, and Health	276	276	284
Energy Information Administration	18	18	18
Environmental Management	649	649	659
Fossil Energy	421	421	426
General Counsel	91	91	94
Hearings and Appeals	14	14	14
Chief Information Officer	244	244	250
Inspector General	96	96	98
Intelligence	3	3	3
Management and Budget Evaluation	960	960	977
Nuclear Energy	88	88	90
National Nuclear Security Administration:	1,137	1,137	1,156
Naval Reactors	1	1	1
Oversight & Performance Assurance	44	44	45
Public Affairs	23	23	23
Policy and International Affairs	88	88	90
Civilian Radioactive Waste Management	65	65	67
Office of the Secretary	33	33	34
Secretary of Energy Advisory Board	7	7	8
Science	545	545	555
Security	203	203	208
Emergency Operations	19	48	48
WAPA/SWPA/SEPA	287	287	287
Worker Transition	15	15	15
Total, Working Capital Fund	6,204	6,204	6,308

¹ Numbers may not add due to rounding.

² See footnote 1.

³ See footnote 1.

Contract Closeout

Description

The contract closeout business line is the final stage in contract administration support for DOE Headquarters elements. Services include ensuring that all contracted products and services have been delivered, final releases are obtained, final invoices and vouchers are processed for payment, and any remaining unexpended funds under the contract are released.

Since FY 1996, the universe of contract instruments ready for closeout has been reduced by nearly one third, from nearly 3,000 to approximately 1,000. Over \$44 million has been deobligated from expired contracts in the six years this activity has been operating as a business.

Board Pricing Policy

Each Headquarters element pays for actual closeout cost, determined by the unit price of each contract instrument type and negotiated level of service.

Table 11 provides the estimated contract closeout charges for each organization in Headquarters.

Table 11: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 11: Contract Closeout			
Counterintelligence	2	1	1
Energy Assurance	0	0	0
Economic Impact and Diversity	16	16	16
Energy Efficiency	74	100	100
Environment, Safety, and Health	25	45	45
Energy Information Administration	169	63	63
Environmental Management	103	48	48
Fossil Energy	126	58	58
General Counsel	3	1	1
Chief Information Officer	13	0	0
Inspector General	2	3	3
Intelligence	6	28	28
Management and Budget Evaluation	91	150	150
Nuclear Energy	9	35	35
National Nuclear Security Administration:	82	126	126
Policy and International Affairs	18	36	36
Civilian Radioactive Waste Management	16	12	12
Science	0	13	13
Security	5	13	13
Worker Transition	1	6	6
Total, Working Capital Fund	761	754	754

¹ Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

Payroll and Personnel

Description

The major components of this business are the processing of the payroll for DOE Federal employees and the operation of the Corporate Human Resources Information System (CHRIS).

Payroll Processing prepares civilian payrolls based on authenticated documentation. The business performs the following specific functions:

- Computes, deposits, and reports Federal, State, and local income taxes.
- Maintains employee records related to Civil Service and Federal Employees Retirement Systems, reports retirement information to the Office of Personnel Management, and performs reconciliation of account balances with Office of Personnel Management and Treasury.
- Accounts and reports employee's health benefit coverage, thrift savings plans, and unemployment compensation, among other non-salary employee payments.
- Maintains donated leave subsystem.
- Maintains and operates the Department's system of allocating payroll costs to the proper appropriation.

All related personnel services will continue to be carried out by Federal employees and therefore do not fall under the Working Capital Fund payroll processing business line. Detailed employee information and Office of Personnel Management regulations are critical inputs to payroll processing.

Corporate Human Resources Information System (CHRIS) is the Department's Enterprise Human Resources system of record. Specifically, the project supports the strategic management of human resource capital goal of the PMA by providing official data and reports for external reporting, internal decision-making, policy reviews and electronic workflow to support the paperless office, streamlined business processes and improved operational efficiencies. Employee Self Service is an additional component of the CHRIS Project as is DOE Jobs ONLINE, the web-based automated recruitment and application system.

The Working Capital Fund funded CHRIS for the first time in FY 2002. The Office of Management, Budget and Evaluation will pay for the continuing costs of Federal salaries and related expenses to operate CHRIS. In addition to CHRIS system operations, this business line is being used to finance certain Office of Personnel Management (OPM) charges for projects of benefit to the entire DOE work force.

Board Pricing Policy

Payroll processing and CHRIS operations costs for this business are allocated to each program on the basis of their funded employment levels at the beginning of the current fiscal year.

Table 12 provides the estimated distribution of costs by program customer.

Table 12: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 12: Payroll and Personnel			
Board of Contract Appeals	2	2	2
Congressional & Intergovernmental Affairs	18	19	19
Counterintelligence	12	15	15
Energy Assurance	0	5	5
Economic Impact and Diversity	17	17	17
Energy Efficiency	245	243	243
Environment, Safety, and Health	124	111	111
Energy Information Administration	171	170	170
Environmental Management	940	885	885
Fossil Energy	428	430	430
General Counsel	68	66	66
Hearings and Appeals	17	17	17
Chief Information Officer	46	45	45
Inspector General	114	120	120
Intelligence	17	24	24
Management and Budget Evaluation	313	305	305
Nuclear Energy	46	48	48
National Nuclear Security Administration:	1,081	1,122	1,122
Naval Reactors	87	82	82
Oversight & Performance Assurance	17	27	27
Public Affairs	12	12	12
Policy and International Affairs	46	46	46
Civilian Radioactive Waste Management	71	73	73
Office of the Secretary	13	13	13
Secretary of Energy Advisory Board	2	2	2
Science	566	559	559
Security	107	112	112
WAPA/SWPA/SEPA	680	692	692
Worker Transition	8	8	8
Total, Working Capital Fund	5,270	5,270	5,270

¹ Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

Online Learning Center

Description

The Energy Online Learning Center (OLC) is a web-based training commercial off-the-shelf (COTS) system that provides access to online learning and training. The goal of this effort is to use technology to deliver learning activities to the desktop wherever such delivery can be demonstrated to improve learning outcomes and reduce costs independently or in combination with other training methods.

The overall vision of the OLC program is to provide the capability for all DOE Federal employees to have access to web-based training via the desktop. The OLC has been structured to meet DOE needs with a customized access process and DOE specific information. The DOE is one of several federal agencies that use this vendor's system.

Board Pricing Policy

Costs for the OLC are to be recovered through a fixed base annual cost paid by participating DOE organizations plus the cost per user for course access.

Table 13 provides the estimated Online Learning Center charges for each organization in Headquarters.

Table 13: Working Capital Fund Budget by Function

(dollars in thousands)

	FY 2002 Actual ¹	FY 2003 Estimate ²	FY 2004 Estimate ³
Table 13: Online Learning Center			
Bonneville Power Administration	8	8	8
Economic Impact and Diversity	2	2	2
Energy Efficiency	13	13	13
Environment, Safety, and Health	9	9	9
Energy Information Administration	17	17	17
Environmental Management	52	52	52
Fossil Energy	8	8	8
General Counsel	12	12	12
Hearings and Appeals	3	3	3
Chief Information Officer	8	8	8
Inspector General	15	15	15
Intelligence	3	3	3
Management Budget and Evaluation	34	34	34
Nuclear Energy	4	4	4
National Nuclear Security Administration	27	27	27
Naval Reactors	2	2	2
Oversight & Performance Assurance	3	3	3
Policy and International Affairs	5	5	5
Civilian Radioactive Waste Management	2	2	2
Science	20	20	20
Security	14	14	14
WAPA/SWPA/SEPA	31	31	31
Worker Transition	1	1	1
Field Offices	27	27	27
Total, Working Capital Fund	318	318	318

¹ Numbers may not add due to rounding.² See footnote 1.³ See footnote 1.

ACTUAL CUSTOMER COSTS FY 2002
(\$ IN THOUSANDS)

ORG CODE	SUPPLY	MAIL	COPYING SERVICE	PRINTING & GRAPHICS	BUILDING OCCUPANCY	PHONE SERVICE	DESKTOP SUPPORT	NETWORK	CONTRACT CLOSEOUT	PAYROLL	CHRIS	OLC	TOTAL
AB	3	18	7	37	130	9	4	7	0	1	1	0	217
BCA	1	0	0	3	217	4	2	1	0	1	1	0	230
BPA	4	14	0	12	95	13	0	1	0	0	0	8	147
CI	20	38	18	11	508	45	17	30	0	11	7	0	706
CN	37	31	33	27	707	81	5	18	2	7	5	0	953
EA	0	0	0	0	37	0	0	0	0	0	0	0	37
ED	20	58	23	53	453	46	8	33	16	10	7	2	730
EE	338	151	170	348	3,665	480	112	814	74	144	101	13	6,409
EH	207	54	92	52	3,383	305	52	276	25	73	51	9	4,579
EIA	232	221	118	604	5,074	522	1	18	169	101	70	17	7,147
EM	238	52	205	181	4,178	579	85	649	103	553	387	52	7,264
FE	138	46	56	156	1,738	255	112	421	126	252	176	8	3,483
GC	70	40	35	103	2,030	166	24	91	3	40	28	12	2,642
HG	12	18	6	91	788	23	4	14	0	10	7	3	976
IG	40	47	23	64	1,182	103	24	96	2	67	47	15	1,710
IM	112	54	51	49	3,545	272	140	244	13	27	19	8	4,533
IN	27	73	18	5	1,317	69	10	3	6	10	7	3	1,548
ME	519	483	437	579	9,878	1,054	215	960	91	184	129	34	14,562
NA	459	177	285	173	6,778	975	116	1,137	82	636	445	27	11,290
NE	50	42	26	24	1,020	157	20	88	9	27	19	4	1,487
NR	0	5	0	4	149	43	0	1	0	51	36	2	291
OA	39	22	9	3	269	61	6	44	0	10	7	3	473
PA	24	47	142	150	376	40	18	23	0	7	5	0	832
PI	71	57	36	29	1,135	157	27	88	18	27	19	5	1,668
RW	30	20	16	49	863	128	24	65	16	42	29	2	1,284
S	25	18	13	57	542	90	11	33	0	8	5	0	804
SC	231	81	86	199	1,958	376	60	545	0	333	233	20	4,121
SO	343	132	115	80	4,285	690	65	203	5	63	44	14	6,039
(PML)	1	14	0	37	101	13	0	287	0	400	280	31	1,163
WT	6	19	7	6	255	18	5	15	1	5	3	1	340
FO	0	0	0	0	0	0	0	0	0	0	0	27	27
TOTAL	3,298	2,034	2,026	3,186	56,654	6,776	1,167	6,204	761	3,100	2,170	318	87,696

11-Dec-02

PROJECTED CUSTOMER COSTS FY 2003
(\$ IN THOUSANDS)

ORG CODE	SUPPLY	MAIL	COPYING SERVICE	PRINTING & GRAPHICS	BLDG OCCUP	PHONE SERVICE	DESKTOP SUPPORT	NETWORK	CONTRACT CLOSEOUT	PAYROLL	CHRIS	ONLINE LEARNING CENTER	TOTAL
AB	3	17	7	37	120	9	4	7	0	1	1	0	207
BCA	1	0	0	3	226	4	2	1	0	1	1	0	238
BPA	4	13	0	12	95	13	0	1	0	0	0	8	146
CI	20	42	18	11	493	45	17	30	0	11	8	0	695
CN	37	38	33	27	612	81	5	18	1	9	6	0	867
EA	0	13	0	0	152	0	0	0	0	3	2	0	171
ED	20	50	23	53	373	46	8	33	16	10	7	2	641
EE	338	322	170	348	3,643	480	112	814	100	143	100	13	6,583
EH	207	46	92	52	3,506	305	52	276	45	65	46	9	4,700
EIA	232	310	118	604	5,126	522	1	18	63	100	70	17	7,181
EM	238	60	205	181	4,049	579	85	649	48	521	364	52	7,031
FE	138	46	56	156	1,691	255	112	421	58	253	177	8	3,370
GC	70	42	35	103	2,022	166	24	91	1	39	27	12	2,632
HG	12	17	6	91	790	23	4	14	0	10	7	3	976
IG	40	82	23	64	1,168	103	24	96	3	71	49	15	1,739
IM	112	46	51	49	2,878	272	140	244	0	26	19	8	3,845
IN	27	55	18	5	1,551	69	10	3	28	14	10	3	1,793
ME	519	647	437	579	9,591	1,054	215	960	150	179	125	34	14,489
NA	459	226	285	173	10,152	964	116	1,137	126	660	462	27	14,788
NE	50	42	26	24	1,039	157	20	88	35	28	20	4	1,533
NR	0	0	0	4	0	43	0	1	0	48	34	2	131
OA	39	20	9	3	268	61	6	44	0	16	11	3	481
PA	24	53	142	150	362	40	18	23	0	7	5	0	823
PI	71	59	36	29	1,103	157	27	88	36	27	19	5	1,656
RW	30	20	16	49	858	128	24	65	12	43	30	2	1,278
S	25	28	13	57	544	90	11	33	0	8	5	0	815
SC	231	81	86	199	1,930	376	60	545	13	329	230	20	4,100
SO	343	195	115	80	3,277	691	65	203	13	66	46	14	5,108
WAPA (PML)	1	13	0	37	101	13	0	287	0	407	285	31	1,175
WT	6	19	7	6	255	18	5	15	6	5	3	1	345
FO												27	27
TOTAL	\$ 3,298	\$ 2,601	\$ 2,026	\$ 3,186	\$ 57,975	\$ 6,766	\$ 1,167	\$ 6,204	\$ 754	\$ 3,100	\$2,171	\$ 318	\$ 89,565

PROJECTED CUSTOMER COSTS FY 2004
(\$ IN THOUSANDS)

ORG CODE	SUPPLY	MAIL	COPYING SERVICE	PRINTING & GRAPHICS	BLDG OCCUP	PHONE SERVICE	DESKTOP SUPPORT	NETWORK	CONTRACT CLOSEOUT	PAYROLL	CHRIS	ONLINE LEARNING	TOTAL
AB	3	18	7	37	124	9	4	8	0	1	1	0	212
BCA	1	0	0	3	231	4	2	1	0	1	1	0	244
BPA	4	14	0	12	98	13	0	1	0	0	0	8	150
CI	20	44	18	11	526	46	17	31	0	11	8	0	733
CN	37	40	33	27	623	83	5	18	1	9	6	0	882
EA	0	14	0	0	155	0	0	0	0	3	2	0	175
ED	20	54	23	53	387	47	8	34	16	10	7	2	661
EE	338	331	170	348	3,778	491	112	821	100	143	100	13	6,747
EH	207	49	92	52	3,574	313	52	284	45	65	46	9	4,786
EIA	232	323	118	604	5,294	533	1	18	63	100	70	17	7,373
EM	238	63	205	181	4,036	593	85	659	48	521	364	52	7,045
FE	138	48	56	156	1,832	261	112	426	58	253	177	8	3,524
GC	70	45	35	103	2,096	170	24	94	1	39	27	12	2,716
HG	12	18	6	91	808	24	4	14	0	10	7	3	997
IG	40	48	23	64	1,242	106	24	98	3	71	49	15	1,784
IM	112	59	51	49	3,436	279	140	250	0	26	19	8	4,430
IN	27	83	18	5	1,611	70	10	3	28	14	10	3	1,883
ME	519	685	437	579	10,361	1,082	215	977	150	179	125	34	15,342
NA	459	232	285	173	10,878	986	116	1,156	126	660	462	27	15,561
NE	50	45	26	24	1,296	161	20	90	35	28	20	4	1,800
NR	0	0	0	4	0	43	0	1	0	48	34	2	131
OA	39	21	9	3	351	63	6	45	0	16	11	3	567
PA	24	56	142	150	375	41	18	23	0	7	5	0	841
PI	71	63	36	29	1,144	160	27	90	36	27	19	5	1,707
RW	30	21	16	49	889	130	24	67	12	43	30	2	1,314
S	25	30	13	57	572	93	11	34	0	8	5	0	847
SC	231	84	86	199	2,428	386	60	555	13	329	230	20	4,620
SO	343	208	115	80	3,826	707	65	208	13	66	46	14	5,691
WAPA (PML)	1	14	0	37	105	13	0	287	0	407	285	31	1,180
WT	6	21	7	6	264	19	5	15	6	5	3	1	356
FO												27	27
TOTAL	\$ 3,298	\$ 2,732	\$ 2,026	\$ 3,186	\$ 62,340	\$ 6,926	\$ 1,167	\$ 6,308	\$ 754	\$ 3,100	\$ 2,171	\$ 318	\$ 94,326

11-Dec-02